G. R. S. IX-5]

Previous references.

File No. 134-18

1918-19
(P.P.)

Serial Nos. 269, 45
565, 569, 580,
611, 612, 662, 6

Later references.

P.P. 6-9 (22 to 224)
pp 16-20 (42 to 49)
26 do (141 to 157)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. Misc.

Part B for Sept 1919.

SUBJECT.

Orders the Prosecution of S. K. Venkataramana & the Cauvery Rice Mills Depot, Bangalore for violation of rules re prices of food-grains.

GENERAL AND REVENUE SECRETARIAT

( )

NOTES.

File No.

FILE HEADING.

From

No. Dated Received

Diary No.] Enclos. 6 Spare Copies. [Serial No. 26

BRIEF ABSTRACT OF LETTERS.

NOTES AND ORDERS.

The Rev Cmr has not given his opinion but has simply forwarded the Food Controller's letter for orders.

The retail maximum rate fixed

G.R.S. III-2]

General and Revenue Secretariat.

P.P File No. 134 of 1918-19

Serial No.

1st Sat rice in the Bangalore City comes up to No 26²/3 per seer.

Lug
7/2/19

2 The Agent is liable to be prosecuted for
(1) selling rice at a rate higher than the wholesale maximum price fixed by Govt
and (2) Selling rice in retail without obtaining a license therefor

(Chief Sec) WJ 7/2/19

3 Prosecution may be ordered

Dewan

CBX
10/2/19
12/2/19

4 I think we may wait & see how the contract is executed - before ordering the prosecution.

11/2/19

5 Draft Submd.
PAR
12/2/1919.

General and Revenue Secretariat.

File N

Serial No.

6 The file is returned in the reference from 4 of the notes in the file re Nigma Mill Contracts

Hy
2/2/19

Chief Secy

22-3-19.

5727
24.3.19.

NOTE—Contn. sheet.

The matter has not been pursued the mill contract expired.

WD A 1789—GPB—[illegible]—20-8-18—[illegible]

G. R. S. III-2]

General and Revenue Secretariat. | G.D File No. 1284 of 19

Serial No.	
8	Postal may be taken. Counsel in reply to the Note case. In the file referred to the D.O.F. K 763 Draft Bro 27-3-19
9	Draft put up. Req 27/3/19 10 Reminder Bro 27-3-19
11	No reply has been received. A reminder is put up Req 1/5/19 12 Reminder Bro

General and Revenue Secretariat.

File No. 136 of 191 8.C9

Serial No.

65 From the Food Controller
No 8929 G 14.5.19
With reference to Sl 45)-2
the recommendation the Govt
order thereon.

3 Chief Secy agrees.
Put up a draft Sanction
the prosecution submit to Dewan
Dated) C.S.B. 14/5/19

(Draft submitted
by
15/5/19 Dewan)

15.5.19

I do not approve
Govt order attached

Yes/5

16 Issue
Govt
15/5

To the Revenue, Food Controller
& Legal Remembrancer & the Govt
Advocate-
No G 25908-12 G 17.5-19
Sanction the prosecution
the Asst-Controller Rice Mills
Licensed under 3 B(6) of the Dy. C.
Rules & direct that the Govt

R. S. III-2]

General and Revenue Secretariat.

P.P File No. 136 of 1918.19

6

Serial No.

Govt Advocate shared Cons
the prosecution.

580 From the Food Controller
No 9258 of 18/19. 5-19

States that the Govt Advoc
is sick of the opinion that there
is no further remedy against
the Proprietor of the Conveyance
Mills further to deliver
according to his Contract begs
for forfeiting the Security deposit
of Rs 1000 the Proprietor's regd
the notice issued by the Govt
Advocate is enclosed.

17 Chief Secy's orders.
"Submit to Dewan
for perusal."

Sd) C. S. B.
20/5/

Submd
Mg
21/5/19

Submd
22.5.19

I Dewan/
Reply may be awaited

Draft D.O put up
Mg 9/6/19

S. III-2]

eneral and Revenue Secretariat. | P.P File No. 134 of 191 8-19

Serial No.	
611	From M. Swaminathan - Proprietor - Cauvery Rice Mills - Mysore letter dt 6.6.19. Forwards a copy of a letter addr by him to the Food Controller regardi his failure to supply rice as pr his contract & requests that under the circumstances repre sented he may be excused fro the performance of the remainin portion of the contract etc -
612	From the same. Letter dt 6.6.19 Forwards a copy of his letter t Food Controller in connection wi the prosecution of his agent a Bangalore - ordered by Govt. d - quests that under the circ - stances represented the pro may be withdrawn -
22	Subd. The receipt of further c - munications in the matter f ~~the Food Controller~~ from the Food Controller regd may be awa
	The proprietor prays also for th withdrawal of the prosecution ordered in Go No Grs 908-12/B.D 134
17.5.19	May the Food Controller be consulted in the 11/6/19 23

S. III-2.

meral and Revenue Secretariat.

P.P File No. 134 of 1918.19

Serial No.

Whether any reconsideration is necessary in the light of subsequent events or of the circumstances stated in the petition.

Asst
11-6-19.

Chief Secy

I do not think Govt need take any action on these representations. It may await proposals of any private &c. for perusal.

Dewan)

Agree Hold the answer that the case of Investment be seen including Govt

14.6

D.O. Reminder put up.

28/6/19

28-6-19

From the Foreign Secretary No C.O. 1097.7.19

Regards the further enquiries in regard to the forfeiture of the deposit from the Rt Hon the

R. S. III-2.

General and Revenue Secretariat.

P. C. File No. 134 of 191 &c

Serial No.

Caraway seed mill Contract

Reference is invited to note in the linked file.

Dewan).

8/7/19

In further orders please see para 2 of G.O. No. 9248-3/P.C. 134-18-669 of 30.7.19. a copy of which is placed in this file. In notes leading to the order please see paras 3 (b) & 9 the notes in that file.

Ram the Proprietor Caraway Seed Mills - Mysore

Letter of 25.8.19.

With reference to your order directing the forfeiture of Rs 5,000 and of the security deposit furnished by him in connection with his contract for supply of Mysore seed, submit a copy of his further representation to the Accountant-General regarding the circumstances which rendered his fulfilment of the contract impossible & praying that the order

III-2,

al and Revenu
ecretariat.

Serial No.

30 Sn 60

Mg

27/8/29 Chiefsec'y

Boo
27-8-29.

Await reference if any from FC

Till 10-

CSS
29/8 Bo
30-8-29

Sneed - No reference has been received in this matter from the Food Controller.

Mg
10/9/29

Boo
11-9-29.

Chiefsec'y

File

CSS
10/9/29

[illegible]
17/9

[illegible] SECRE[illegible]
II
[illegible]CIAL BRANCH.
[illegible]1919

OFFICE OF THE REVENUE COMMISSIONER
IN MYSORE.

No. *Bangalore,* 3rd February 1919.

FROM

DIARY NO. 13312

K.R. Srinivasaiengar Esq., M
Revenue Com

To

Chief
The Secretary to the Government of
His Highness the Maharaja of Mysore,
Department.

SIR,

I have the honor to submit herewith, for the orders of Government, a copy of Food Controller's letter No.2829 date the 25/27th January 1919 together with its enclosures in original (tc be kindly returned when done with) as per list accompanying, soliciti the sanction of Government to prosecute the Agent of the Cauvery Rice Mills Depot (S.K.Venkataramanappa) under the Defence of India Regulat for the violation of the rules regarding the maximum prices for the sale of rice.

I have the honor to be,

Sir,

Your most obedient servant,

Assistant Commis
for Revenue Commissioner.

Absent from his Ch

From 57631

The *Revenue Commissioner in Mysore.*

To Chief
The Secretary to the Government of
H. H. the Maharaja of Mysore,
~~Department~~.

Dated 3rd February 1919.

Despatched

Received

General No. ೨ ೦೮೬೩

Enclosure No.

SUBJECT.

Forwarding for orders Fo__ Controller's letter soliciting sanction to prosecute the Agent of the Cauvery Rice Mills Depot for the violation of the rules regarding the maximum prices for the sale of rice.

Letter No.2829 dated 27th January 1919 from the Food Controller in Mysore, to the Revenue Commissioner in Mysore, Bangalore.

I have the honor to forward herewith for perusal and obligir return my office file of papers ending with letter No.1984 of the 24th January 1919 from the Honorary President, Bangalore City Municipal Council, in regard to violation of the rules regarding maximum prices for the sale of rice in the Bangalore City by the Cauvery Rice Mills Firm.

The President apparently proposes to let off the firm as "the party has corrected himself". I am of opinion that such cases when brought to notice should not be lightly dealt with and that prosecutions in some cases is necessary if our rules and regulations are to have any effect. I would recommend that the matter may be placed before Government for their orders as prosecutions under the Defence of India Regulation have to be sanctioned either by the District Magistrate or by Government.

'C o p y'

For Revenue Commissioner.

R. S. VI—G/32]

BJECT.....

.....

.....

ry No. of letter replied to.....

NERAL AND REVENUE SECRETARIAT,
( )
, the *191* .

te of issue 27.3.08

ned by

Section
File No. 14/13
Serial No. 16

No. G 2810 Ext 6

To

~~The Food Controller & Dr~~
~~of C. S. in Nagpur~~

Sir,

With reference to your letter no 2829 of 27th Jan
to the Revenue regarding
the prosecution of the Agent
of the Canvery Rice Mill
Depot at Bangalore for vio
-lation of the rules rega
-rding the maximum pri

The file of papers received
I request you to consult
Confidentially
Your Advocate (in regard
including also his failure to re
the whole case and forward
to Govt.
records with his opinion
as per pharisat
2. The file of papers forwarded
in your letter under refee
herewith returned

Yours Sincerely

K Matthan Esq Bar-at-
D. C. L. P. C. S.

List of enclosure

I herewith return the papers sent with your D.O. No. P.S.134-18-457 dated 27th March 1919 together with a copy of the Government Advocate's letter No.268 of the 25th April received in my office on the 9th instant.

It will be seen that the Government Advocate is of opinion that there is a clear caseto prosecute the agent of the Cauvery Rice Mill Depot at Bangalore. Of course, the previous sanction of the Government or of the District Magistrate is necessary.

As regards the failure of the Mill to ~~as~~ fulfill the contract for the delivery of 10,000 pallas of rice, the opinion furnished by the Government Advocate is as follows:-

"The agreement in question provides for no other penalties than a forfeiture of the whole or any portion of the amount of deposit of Rs.10,000. A claim for any larger sum than this by way of damages, will not, I am afraid be sustainable. At any rate, courts would be very reluctant to allow such a claim."

I am not quite sure that this construction is correct and have written again tothe Government Advocate and will, if necessary, discuss the matter in person with him. In the meantime, the Government Advocate is issuing a notice to the party claiming damages at the rate of Rs.10 per palla for every palla the mill has failed to deliver.

Yours sincerely,

M Visvesvaraya

C. S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Govt. of Mysore,
Bangalore.

Advocate in Mysore, to the
Supplies in Mysore.

With reference to your letter No.6832 dated the 16th April 1919, I have the honour to state that the agent of the Cauvery Rice Mills has, in his letter dated the 19th January 1919, addressed to the Presidentof the Bangalore City Municipal Council, clearly admitted having sold rice at rates higher than the maximum prices fixed and his act, therefore, clearly amounts an offence under Rule 3 B (6) of of the Rules under the Defence of India Regulation.

He has not only sold rice at prices higher than the maximum rates fixed but has also sold rice in retail for which he does not appear to have secured any license.

But his prosecution will have to be sanction either by th Government or the District Magistrate, under Rule 7 of the said rules before instituting proceedings against him.

The enclosures received with your letter under reply are herewith returned.

G.R.S. VI-71]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

, *the* 191 .

Date of issue.....

Signed by.....

this be

Printed ?

treated as a standing order ?

published in the Gazette English part ?

translated ?

placed at the disposal of the press ?

published in the Gazette Kannada part ?

Section M. 131

File No. 57

Serial No.

Proceedings of the Government of His Highness the Maharaja of Mysore.

Read.— Letter no 7. C. 162 dat
the 3/5 Feb 1919 from the
Revenue in regard to
matters for the orders of Go
a copy of letter no 2829 & 4
25-WS/27 WS Jan 1919 from th
Food Controller in regard
soliciting sanction to pro
S. K. Venkat
Order Thereon:— No.
secute the Agent of the
Cauvery Rice Mills Dfy
Bangalore Cly — under the
Defence of India Regn.

V

regarding Maximum pr
for the Sale of rice.
(2) Correspondence ending
in letter no 8929 of 14th
May 1919 from the Food
Controller in Mysore on the
subject.

Order.

Sanction is accorded
for the prosecution of the
accused referred to - by
S.H. Venkatanarayanappa -
under Rule 3B (6) of the
Rules under the Defence of
India Regn.

List of enclosures.

The Food Controller in Mysore

By Chief Secy

To: The Revenue Secretary
The Food Controller returning the records
The President - Bangalore City Municipality
The Dt Magte - Bangalore -
Govt. advocate in Mysore.

Copied by
Examined by

Confidential

Office of the Food Controller &
Director of Civil Supplies in Mysore,

Bangalore, 18th May 1919.

Dear Sir,

In continuation of my letter No.8929 of the 14th instant, I write to say that the Government Advocate is still of the opinion that there is no further remedy against the Proprietor of the Cauvery Rice Mill for his failure to deliver rice according to his contract beyond forfeiting the security deposit. I enclose a copy of the Government Advocate's letter.

Any how I am awaiting the Proprietor's reply to the notice issued by the Government Advocate.

Yours sincerely,

C. S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to Govt.,
Bangalore.

KM/MPH.

D.O. letter No.62 dated the 16th May 1919 from the Government Advocate in Mysore, to the Food Controller and Director of Civil Supplies in Mysore.

I am in receipt of your letter of the 14th instant.

I have issued the required notice to the Agent of the Cauvery Rice Mills in the terms of the draft sent to you, with, of course, the necessary alterations.

I have once again carefully considered the effect of the clause regarding forfeiture. I am afraid the provisions of Section 74 of the Indian Contract Act are against us as in this case the sum of Rs.10,000 taken as security is a sort of maximum compensation for any breach of contract. But we are entitled to say that the security is not in the nature of a penalty and that this entire amount should be forfeited.

I have, therefore, no other alternative than to stick to the opinion already expressed by me.

Copy.

Madanagopala Rao

For Food Controller & Director of Civil Supplies in Mysore.

KRV.

Proprietor,

The Cauvery Rice Mills,

M Y S O R E.

To 72298

The Chief Secretary to the Government of

His Highness the Maharajah of Mysore,

B A N G A L O R E.

Sir,

I have received a notice from the Government Advocate stating that the Food Controller has instructed him to take steps in a court of law if I don't act up to the terms of the contract dated the 11th December 1918.

In this connection, I have addressed a communication to the Food Controller after I had a personal interview with him; I have taken the liberty of sending a copy of the communication direct to you and under the circumstances therein stated, I request that you will kindly move the Government to excuse me from the performance of the remaining portion of the contract and to order the payment of my dues and the security deposits.

I beg to remain,

Sir,

Your most obedient servant,

M Siva Ram

Proprietor,

The Cauvery Rice Mills.

M Y S O R E,

6th June 1919.

From

T. SivaRam,

Proprietor,

The Cauvery Rice Mills,

MYSORE.

Nathan Esq.,

Food Controller in Mysore,

Bangalore.

Sir,

I have received a notice from the Government Advocate in connection with my contract with you for the supply of 10,000 pallas of rice.

In the notice the Government Advocate has stated that action will be taken against me in a court of law unless I supply all the rice or settle the matter amicably with you.

I have on several occasions represented to you how, in spite of my best efforts, the circumstances over which I had no control made the fulfilment of my contract impossible. I have also written to you on two occasions, 30-1-1919 and 24-2-1919. I again set forth below all the circumstances regarding this contract.

Just before the contract was entered into I have written a letter to you stating my willingness to supply as much rice as I could manage, only taking for myself a commission of annas four for every candy of paddy purchased, and my milling charges.

This, as also my conduct throughout the period of distress in selling rice at low price, serve to indicate that my object was to serve the same ends the Government had in view and was not at all profiteering. But you wanted that I should enter into a contract to supply a definite quantity of rice and to this I agreed when, on representation of myself and the other mill-owners, you made the following promises.

That there would be no restrictions for the transport of paddy purchased by us to Mysore and more important still that till our purchases for the contract were finished, none but ourselves would be given license to buy paddy for trade purposes. You also assured us that the restrictions which had then been imposed by the Government would continue till at least the 15th of February 1919. You also agreed to supply the gunny bags and take delivery of rice as and when it became ready and to pay for the rice taken, within five days.

But as a matter of fact, as I have already represented to you in person and by letter, carts intended for my mill were stopped at various places by the Amildars and a lot of trouble given to parties. Licenses were also issued to a large number of traders which only served to increase the prices beyond the maximum fixed by the Government. The interdistrict transport of paddy was very soon allowed with the result that transactions took place at rates very much higher than those allowed by Government. I represented these facts to Mr. C. Srikanteswara Iyer and requested him to allow me to buy at rates higher than those fixed by Government or prosecute the purchasers and sellers.

none of these was done with the result that for fear of infringing the law, I could not buy any paddy after the end of January 1919.

I may also state that according to the terms of the contract, the gunny bags were not supplied by you nor- and this is more important to me- money was paid within the period agreed to. But in spite of this, I managed with good deal of difficulty to finance my paddy purchases so long paddy was obtainable in the market at the rates fixed by the Government. Now the contract rates were fixed by us so as to allow only a small margin for working expenses over the price of paddy as fixed by Government and when the restrictions were completely removed, the prices jumped as high as Rs. 18/-. Hence it was not possible to supply at rates fixed, when the maximum rate of paddy was Rs. 11-8-0.

The various facts represented as above, I trust, will clearly show to you that I have tried my best and supplied in about a month and a half about 5000 pallas of rice besides continuing my mill sales in small quantities for the public. The total quantity of such sales has amounted to 2,16 pallas and I have done this at a time when there was considerable difficulty in Mysore for rice. I did this on the initiative of Mr. Srikanteswara Iyer and you may remember, sir, that at the time, you expressed whether it would not be better for me to fulfil the contract before I undertook this. But the time was an exceptional one. The people could not get rice for love or for money and at a meeting convened by Mr. Srikanteswara Iyer and you, the other merchants refused to open such Depots and cater to the public but I continued such sales on a large scale so as

as to relieve the situation in Mysore as I expected there would not be any difficulty in the purchase of paddy if the restrictions had been properly enforced. But as I have already stated the restrictions were not enforced and I could not completely fulfil the contract.

For your information and for the information of the Government, I append to this application a statement showing the stock of old and new rice at the beginning of October 18, purchases during each month, quantities sold to the public at rates cheaper than the rates prevailing elsewhare or at rates subsequently fixed by Government, quantity supplied to you and the balance remaining at the end of January 1919. From these figures it will be clear that I was throughout the period working with great earnestness and zeal in the cause of the public which you and the Government have at heart and would certainly have continued the purchases if it was possible under the circumstance.

From the beginning, I was not after profits and I may assure you that the absence of profit was not at all the reason responsible for my failure to supply the rice as I entered into the contract with open eyes.

I request that you will kindly take into consideration all the circumstances represented as above, which are also within your personal knowledge and move Government to excuse me from the performance of the remaining portion of the contract and order the payment of Rs. 6543-12-0 being the balance due for rice supplied, Rs. 3341-1-7 being the amount due for gunny bags supplied, cart hire and packing on rice supplied both to the Depot and the Municipality in all the sum of Rs. 9884-13-7 outstanding since 18th March 1919 and

l securities to the extent of Rs. 10,000/- deposited me.

May I also request you that, pending the ttlement of this question, you will kindly convert on behalf the 4 % Government Pro-notes into the new % Loan.

I have sent a copy of this communication the Chief Secretary to the Government.

I beg to remain,

Sir,

Your most obedient servant,

(Sd) M Swaha

Proprietor,

The Cauvery Rice Mill

S O R E,
h June 19

True Copy.

Statement showing paddy purchases, Rice sold etc. during

Paddy balance on 1-10-18. Can. K. S	Paddy purchases. Can. K. S	Rice sales to public Gallons	Rice sales to Food Controller Gallons	Rice sales Mysore Municipality Gallons.
1539- 0 0				
	355 2 0	520	159 (Director of Civil Supplies)	
	798 0 0	710		59
	2083 0 0	956	1072	
	5006 0 0	1000		
Do on 1.2.19		* 500	2768	
1420-0-0			676	
			500	
Rice sent to Bangalore.				

(Sd) M. SivaRam.

Proprietor,

The Cauvery Rice Mills,

Mysore.

(True copy)

...RIAT...
...CAL BRANCH...
...0 JUN. 1919

DIARY 20839
SECTION
FILE NO

From

M. SivaRam,

Proprietor,

The Cauvery Rice Mills,

M Y S O R E.

12239

To

The Chief Secretary to

the Government of His Highness

The Maharajah of Mysore,

B A N G A L O R E.

Sir,

I learn that Mr. Venkatanaranappa agent of my Rice Depot at Bangalore has been ordered by the Government to be prosecuted under the Defence of India Act a nd I have in this connection addressed a letter to the Food Controller in Mysore.

As I learn that the matter is urgent, I have taken the liberty of sending a copy of the communication direct to you and under the circumstances therein stated I request that you will kindly move the Government to withdraw the prosecution.

I beg to remain,

Sir,

Your most obedient servant,

M Sivaram.

Proprietor,

The Cauvery Rice Mills,

M Y S O R E,

6th June 1919.

From

P. SivaRam,

Proprietor,

The Cauvery Rice Mills,

M Y S O R E.

To

K. Mathan Esq.,

Food Controller in Mysore,

B A N G A L O R E.

Sir,

I learn that Government have ordered that r. Venkatanarasnappa, agent of my Rice Depot at Bangalore should be prosecuted under the Defence of India Act for selling certain quantities of rice at rates exceeding the maximum prices fixed by the Government in their notification.

On an examination of the accounts and the receipt duplicates, I find that, only on the 12th and 13th January 1919, the agent has sold about 17 pallas of rice above the maximum rate of Rs. 24/- and that he has reduced the rates to the Government notification level as soon as the Food Inspectors pointed out that the rates fixed by him were in contravention of the terms of the notification.

I also understand that, subsequently, my agent was served with a notice by the Chief officer of the Municipality who was in charge of the Food operation in Bangalore City and that officer, on taking the

the explanation of the agent let him off with a warning.

In this connection, I should like to represent to you that the rice sold was superior Kannakki of 1917-18 and just when the price restrictions were issued we all thought- it was subsequently pointed out that it was a mistake- but still at the time we all thought that the maximum prices referred only to the rice of 1918-19 (New). Moreover the rice which my agent sold on those days formed part of the consignment which was sent to Bangalore on the initiative of Rowan Bahadur Mr. C. Srikanteswara Iyer, the President of the Bangalore City Municipality.

Mr. Srikanteswara Iyer had, previous to the fixing of the maximum prices had entered into an oral agreement with me to purchase 750 pallas of old Kannakki at Rs. 25/- per palla and when the maximum rates were fixed by Government, he told me that he did not require the whole quantity and expressly suggested that I might send it to Bangalore and sell there at Rs. 28/- or thereabouts. He also said that the restrictions did not apply to this special kind of rice and he got me a priority certificate to enable me to send this rice to Bangalore.

I may here remind you that you were present when the conversation took place between Mr. Srikanteswara Iyer and myself and even expressed a doubt whether it would be correct to sell at higher rates at Bangalore. But it was only a sort of a passing doubt and you did not prohibit me from selling at that rate. At the same time, you also expressed that you might not be able to issue a priority certificate for this purpose. But subsequently as I have already remarked Mr. Srikanteswara Iyer got me the certificate

and he has also from time to time asked me to sell that rice to some in Mysore at Rs. 25/-. I can if necessary produce chits sent on those occasions. He has also purchased the same rice at Rs. 25/- for the Palace- all this is when the restrictions were in force.

I make a mention of these to show how these considerations influenced me to sell that rice at Rs. 25/- in Mysore and at ~~subsequently~~ slightly higher rates -to cover transport, shortage and depot charges- in Bangalore. Even then as I have already stated when the Food Inspectors told my agent at Bangalore that his action was irregular, he at once lowered the rates without even referring the matter to me.

The maximum rates were removed soon after and the conditions which rendered such control by Government necessary are fortunately fast disappearing and as such there does not seem to be any necessity to now bring into play the plenary powers given under the Act. These powers, I take it are meant to be used for the benefit of the public in order to control the prices and no useful purpose would be served by launching the prosecution at this stage. I admit there has been if any a technical offence under Defence of India Act but this does not involve any crime towards society necessitating punishment at all times.

I also learn that on the same occasion, Mr. Kanoji Rao, the chief officer of the Bangalore city Municipality enquired into many other cases of a similar character and warned them all and there does not appear to be any reason why my agent should be specially singled out for prosecution. I may also state that the account

account books and receipt books show the transactions as they occurred and no fraudulent intention can be inferred from them.

I may also be permitted to add that this is not at all the variety of rice for the supply of which I had entered into contract with you.

I request that you will kindly take all these facts into your kind consideration and move the Government to withdraw the prosecution as I have already tried to show the prosecution only causes me and my agent worry and trouble and does not serve any useful purpose towards the physical or moral well-being of the public.

As I learn from my agent that the matter is urgent, I have taken the liberty of sending a copy of this letter to the Chief Secretary to the Government which I trust you will kindly excuse.

I beg to remain,

Sir,

Your most obedient servant,

'True Copy'

(Sd) M Siddalingaiah

Proprietor

The Canvery Rice mills

16th June 1919.

Mysore

Office of the Food Controller and
Director of Civil Supplies in Mysor
Bangalore, 7th July 1919.

POLITICAL BRANCH
JUL 1919

To

E. Matthan, Esq., B.A.,
Food Controller &
of Civil Supplies in Mysore.

To

C. S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Govt. of Mysore,
B a n g a l o r e.

Sir,

With reference to your D.O. letter No. C.G.161 o the 10th June 1919, enquiring what further action has been taken in the matter of the Cauvery Rice Mill cont I have the honour to state that the Government Advocat intimated that the notice issued by him to the Proprie has been duly served. I have since received the encl communication from the Proprietor in which he prays to excused from all liabilities against him owing to the f fulfilment of the contract.

2. I have discussed the matter with the Governme Advocate in person, and he has explained that a claim f damages may not be decreed by the Courts as, in point of fact, the Government have not sustained any damages. This view seems to be correct. The only remedy is the forfeiture of the deposit of Rs.10,000.

3. As regards the various considerations urged i the Proprietor's letter, I have the honour to state as

as follows:-

(1) The contractors were assured that there would be no restrictions against the transport of paddy to Mysore and that the Deputy Commissioner of Mysore would issue and publish instructions to this effect. Printed notices were accordingly issued by the Deputy Commissioner and published broadcast.

(2) No promise was given that till the contractors' purchases were finished none but themselves would be given license to buy paddy for trade purposes. What was promise was that up to the end of December the President of the Mysore City Municipality would issue wholesale licenses only to the contracting mills and to four other small mill and that after that wholesale licenses would be freely giv to all merchants in the City. The promise was most scrupulously kept.

(3) As regards supply of gunny bags, the arrangement was that the price quoted by the contractors was exclusive of gunnies. I sent some gunnies from Bangalore to Mysore, but was subsequently informed that gunnies could be obtain locally. A good many were supplied by the Proprietor himself. I never received any complaint of delay or diffi culty due to non-supply of gunnies.

(4) It was not always possible to settle bills withi five days of delivery. This was generally due to defects in procedure either on the part of the contractors or of the Depot Officer. There was some delay on this account in settling the firstfew bills,but afterwards all bills were most promptly settled. The bills last received have not been settled. I have informed the Proprietor that as he had not fulfilled his contract I was deferring payment till the question of his liability should be decided.

(5) It is a fact that the Proprietor of this mill sold pretty good quantities of rice to the public in the Mysore City at reasonable rates, at a time when the situation was very difficult. Some consideration may be given to this fact in finally fixing his liabilities.

4. As the Government Advocate's opinion does not support a claim for damages, I request orders on the question of forfeiture of the security deposit.

5. As one of the millowners supplied the whole of the stipulated quantity it would, to say the least, be unfair to him if the defaulting millowners are let off scot free. But having regard to all the circumstances of the case, I would recommend that the forfeiture of deposit be enforced only in the proportion of the quantity in respect of which default was made. The Proprietor of the Cauvery Rice Mill would in this view be liable to the forfeiture of Rs.4,984/- out of the Rs.10,000 deposited by him as the quantity which he has yet to supply is 4,984 pallas. If this concession is granted it should be on the understanding that he makes no counterclaim for interest on the score of delayed payments etc.

I have the honour to be,

Sir,

Your most obedient servant,

L. Matthan

Food Controller & Director
of Civil Supplies in Mysore.

KM/MPH.

M. SivaRam,

Proprietor,

The Cauvery Rice Mills,

M Y S O R E.

To

1. 11/2/19 Mathan Esq.,

Food Controller in Mysore,

Bangalore.

Sir,

I have received a notice from the Government Advocate in connection with my contract with you for the supply of 10,000 pallas of rice.

In the notice the Government Advocate has stated that action will be taken against me in a court of law unless I supply all the rice or settle the matter amicably with you.

I have on several occasions represented to you, how, in spite of my best efforts, the circumstances over which I had no control made the fulfilment of my contract impossible. I have also written to you on two occasions, 30-1-1919 and 24-2-1919. I again set forth below all the circumstances regarding this contract.

Just before the contract was entered into I have written a letter to you stating my willingness to supply as much rice as I could manage only taking for myself a commission of annas four for every candy of paddy purchased and my milling charges. This as

as also my conduct throughout the period of distress in selling rice at low price serve to indicate that my object was to serve the same ends the Government had in view and was not at all profiteering. But you wanted that I should enter into a contract to supply a definite quantity of rice and to this I agreed when, on representation of myself and the other mill-owners, you made the following promises.

That there would be no restrictions for the transport of paddy purchased by us to Mysore and more important still that, till our purchases for the contract were finished, none but ourselves would be given license to buy paddy for trade purposes. You also assured us that the restrictions which had then been imposed by the Government would continue till at least the 15th of February 1919. You also agreed to supply the gunny bags and take delivery of rice as, and when it became ready and to pay for the rice taken within five days.

But as a matter of fact, as I have already represented to you in person and by letter, carts intended for my mill were stopped at various places by the Amildars and a lot of trouble given to parties. Licenses were also issued to the large number of traders which only served to increase the prices beyond the maximum fixed by the Government. The inter-district transport of paddy was very soon allowed with the result that transactions took place at rates very much higher than those allowed by Government. I represented these facts to Mr. C. Sricanteswara Iyer and requested him to allow me to buy at rates higher than those fixed by Government or prosecute the purchasers

and sellers. None of these was done, with the result tha for fear of infringing the law, I could not buy any padd after the end of January 1919.

I may also state that according to the terms ~~fe~~ of the contract, the gunny bags were not supplied by you nor- and this is more important to me- mone was paid within the period agreed to. But in spite of this, I managed with good deal of difficulty to finanace my paddy purchases so long paddy ~~was paddy~~ was obtainabl in the market at the rates fixed by the Government. Now the contract rates were fixed by us so as to allow only a small margin for working expenses over the prices of paddy as fixed by Government and when the restrictions were completely removed, the prices jumped as high as Rs. 18/-. Hence it was not possible to supply, at rates fixed, when the maximum rate of paddy was Rs. 11-8-0.

The various facts represented as above, I trust, will clearly show to you that I have tried my best and supplied in about a month and a half about 5000 pallas of rice besides continuing my mill sales in small quantities for the public. The total quantity of such sales has amounted to 2016 pallas and I have done this at a time when there was considerable difficulty in Mysore for rice. I did this on the initiative of Mr. Srikanteswara Iyer and you may remember, sir, that at the time you expressed whether it would not be better for me to fulfil the contract before I undertook this. But the time was an exceptional one. The people could not get rice for love or for money and at a meeting convened by Mr. Sricanteswara Iyer and you, the other merchants refused to open such Depot and cater to the public, but I continued such sales on large scale so as to relieve the situation in Mysore, as I expected there would not be any difficulty in the purchase of paddy if the restrictions had been properly

enforced. But as I have already stated the restrictions were not enforced and I could not completely fulfil the contract.

For your information and for the information of the Government, I append to this application a statement showing the stock of old and new rice at the beginning of October 1918, purchases during each month, quantities sold to the public at rates cheaper than the rates prevailing elsewhere or at rates subsequently fixed by Government, quantity supplied to you and the balance remaining at the end of January 1919. From these figures it will be clear that I was throughout the period working with great earnestness and zeal in the cause of the public which you and the Government have at heart and would certainly have continued the purchases, if it was possible under the circumstance.

From the beginning, I was not after profits and I may assure you that the absence of profit was not at all the reason responsible for my failure to supply the rice, as I entered into the contract with open eyes.

I request that you will kindly take into consideration all the circumstances represented as above which are also within your personal knowledge and move Government to excuse me from the performance of the remaining portion of the contract and order the payment of Rs. 6543-12-0 being the balance due for rice supplied, Rs. 3341-1-7 being the balance amount due for gunny bags supplied, cart hire and packing on rice supplied both to the Depot and the Municipality in all the sum of Rs. 9884-13-7 outstanding since 18th March 1919 and securities to the extent of Rs. 10000/- deposi

May I also request you that, pending the this settlement of ~~the~~ question, you will kindly convert on my behalf the 4% Government Pronotes into the new 5½ % Loan.

I have sent a copy of this communication to the Chief Secretary to the Government.

I beg to remain,

Sir,

Your most obedient servant,

M Sivaram

Proprietor,

The Cauvery Rice Mills.

MYSORE,

6th June 1919.

Statement showing paddy purchases, Rice sold etc. during

Months.	Paddy Balance on 1-10-18. Can. k. s	Paddy purchases. Can. k. s	Rice sales to public Pallas	Rice sales to Food Controller Pallas	Rice sales to Mysore city Municipality. Pallas.
	1529- 0 0				
1918					
October.		355 2 0	520	159 (Director of Civil Supplies)	
November		798 m 7 ~~398~~ 8 0	710		259½
December		2083 0 0	956	1072	
1919					
January.		5006 0 0	1060		
			* 500	2768	
February	Do m 1.2.19.			676	
March	1420-00			500	
	Rice sent to * ~~Sales-at~~ Bangalore.				

Pa

M Sawkam

Proprietor,

The Cauvery Rice Mills,

Mysore.

THE CAUVERY RICE MILLS,
MYSORE.

Dated 25th August 1919

The Chief Secretary to

The Government of His Highness

The Maharajah of Mysore,

B A N G A L O R E.

Sir,

With reference to the order of the Government which was communicated to me through the Food Controller in his letter No. A. 188-19-9/ 19-20 directing the forfeiture of Rs. 5000/- of my deposit in the contract entered by me for supply of 10000 pallas of rice, I beg to submit herewith a copy of my further representation of the circumstances which rendered the complete fulfilment of the contract impossible, to the Food Controller which I beg to request, you will kindly move the Government to favourably consider and order ~~the~~ to return of the balance of my security deposit of Rs. 5000/-.

I beg to remain,

Sir,

Your most obedient servant,

The Food Controller

and Director of Civil Supplies in Mysore,

B A N G A L O R E.

Sir,

I am in receipt of your letter No. A 188-19-9 dated 14/19th August 1919 intimating the decision of the Government in the matter of my security deposit. I am extremely thankful to Government for their generous appreciation of the circumstances under which I entered into the contract and the circumstances which rendered the performance of the contract impossible. But I regret that they have decided to forfeit a sum of Rs. 5,000/- out of the amount deposited by me.

Inamy previous letter to you on this subject, I have given in great detail my reasons for entering into the contract and the circumstances which rendered the complete fulfilment of the contract impossible; but I may be permitted to briefly allude to them in this letter again.

As you are yourself aware, the contract rate of rice was fixed so as to allow me only the bare milling charges on the rates for paddy fixed by Government and thus there was neither margin for profit nor for the risk contingent on the rise in the price of paddy. I was aware of all this and in spite of it entered into the contract, solely with a view to assist Government at the same time expecting, as I was led to expect, that Government would come to our aid, if it should at any time become difficult to procure paddy in open market. At the same time, I fully believed that the restrictions imposed on food grains including those appertaining to transport etc

would continue in all its entirety, at least till I h procured sufficient quantity of paddy required for th complete fulfilment of the contract. After a time the transport restrictions were relaxed wholesale and the ceased to come into Mysore market and even there tran tions did take place at rates higher than those fixed by Government. When I represented these circumstances to you in person and to our President here, I was neither permitted to buy at the higher rates nor was any help of the kind referred to above was extended to me. Thereupon, I intimated to you that circumstances over which I had no control had rendered it impossible for me to purchase any paddy in the market and fulfil the terms of my contract.

But in spite of this I did not relax my efforts and delivered the entire turnout from the mills, regularly, from day to day, as can be seen from the registers of the local Government Grain Depot, without any call or reminder. Again I have tried to maintain and keep the quality of rice so delivered, at a very high grade of polish and this was was expressed in no no uncertain terms by the Gentlemen deputed to examine the same as well as by the officer in charge of the said Grain Depot. All this will clearly indicate, if it be necessary, how very enthusiastic and earnest I have been all along in securing all my efforts and resources to assist Government, even sacrificing all my profits which I should have otherwise obtained. And later, when I could get some paddy, I supplied the rice to you. I have thus in all supplied 5016 pallas of rice direct to you.

At the same time I have, though not directly, equally effectively, if not even more effectively, supplied 2230 pallas of rice. I have in my previous letter described the state of the rice market in Mysore and the great difficulty to which the people of Mysore were put at the time, and I need not repeat them here. To relieve the situation

and at the suggestion of Mr. Srikanteswara Iyer, our esteemed President of the Municipality, I have sold 2230 pallas of rice, at practically the contract rates and in quantities of not more than 25 seers to each individual person and in slightly larger quantities to a very few merchants who were specially licensed by the President to distribute the rice in still smaller quantities and to whom I was specially asked to keep supplied owing to th very keen distress that prevailed. I may however inform that you had also noticed this in one of your inspection visits to my mills. I had to put on this work a large establishment, for a number of days, whereas it would have been very much easier to me to have supplied the quantity to you. For your information and for the informa- tion of the Government I am attaching to this letter a statement showing the number of people served and the quan of rice sold every day. It will thus be seen that I may f all practical purposes, be considered to have supplied 7246 pallas of rice to Government. And that I ceased supp ing only when it became absolutely impossible to buy paddy in the market at the rates fixed by the Government and without infringing the law.

I hear that another merchant, who had similar entered into contract but had supplied only 7000 and odd pallas has been completely excused and his deposit return I pray that the same concession be extended to me also, a I have supplied the same quantity practically to you, as 2230 pallas which I have sold locally, even if it had been delivered to you, would have been sold to the public pra tically as I have done.

I request that you will kindly move Governme to take all these circumstances into consideration and ki order the return of the total amount deposited by

The Canvey Rice Mills
Koppam 23. 8. 19

I beg to remain,

Sir,

Your most obedient servant,

Proprietor